

Pakistan	RSUs
<p><b>When will I be taxed in relation to my plan benefits?</b></p>	<p><b>Grant:</b> No income tax. No social security.  <b>Vesting:</b> Income tax. No social security.  <b>Transfer to participant:</b> No income tax. No social security.  <b>Sale by participant:</b> Capital gains tax on increase in value since vesting. No social security.</p>
<p><b>What is the maximum rate of income tax payable in relation to my plan benefits?</b></p>	<p>35% plus surcharge and 'super tax' if applicable (2025/26). Any change in tax rates usually takes effect from 1 July.</p>
<p><b>Income tax rates</b></p>	<p>Tax rates are progressive. The top rate of 35% applies to taxable income over PKR4.1million per annum for salaried individuals (i.e. where salary income exceeds 75% of taxable income).  A progressive 'super tax' applies to high-earning persons.  There are three categories of filers: active taxpayers, non-filers (non-active taxpayers), and late filers who are subject to higher tax rates than filers, but generally lower than non-filers.  <b>Personal Income Tax Rates (salaried individuals) amounts are in PKR:</b> from 1 July 2025, tax rates for salaried individuals in Part 1 of Division 1, subclause (2) are:</p> <ul style="list-style-type: none"> <li>• where taxable income does not exceed PKR600,000: 0%</li> <li>• where taxable income exceeds PKR600,000 but does not exceed PKR1,200,000: 1% of the amount exceeding PKR600,000</li> <li>• where taxable income exceeds PKR1,200,000 but does not exceed PKR2,200,000: PKR6,000 + 11% of the amount exceeding PKR1,200,000</li> <li>• where taxable income exceeds PKR2,200,000 but does not exceed PKR3,200,000: PKR116,000 + 23 % of the amount exceeding PKR2,200,000</li> <li>• where taxable income exceeds PKR3,200,000 but does not exceed PKR4,100,000: PKR346,000 + 30 % of the amount exceeding PKR3,200,000</li> <li>• where taxable income exceeds PKR4,100,000: PKR616,000 + 35 % of the amount exceeding PKR4,100,000.</li> </ul>

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	<p>A surcharge of 9% is levied where taxable income exceeds PKR10,000,000.</p> <p><b>Super Tax on High Earning Persons:</b> The following rates apply (2025/26) (amounts are in PKR):</p> <ul style="list-style-type: none"> <li>income exceeding 150million to 200million: 1%</li> <li>income exceeding 200million to 250million: 1.5%</li> <li>income exceeding 250million to 300million: 2.5%</li> <li>income exceeding 300million to 350million: 3.5%</li> <li>income exceeding 350million to 400million: 5.5%</li> <li>income exceeding 400million to 500million: 7.5%</li> <li>income exceeding 500million: 10% of the income.</li> </ul>
Will my employer withhold income tax in relation to my plan benefits?	Yes
Are my plan benefits subject to social security contributions?	No
Employee social security	<p><b>Employee social security (max rate):</b> nominal social security payments are made by employers and employees based on the relevant provincial minimum monthly pay (employers pay 5% and employees 1%).</p> <p><b>Employee social security (cap):</b> no contribution is due on salary above the relevant minimum monthly pay.</p> <p><b>Note:</b> social security is only paid on salary/wages and is not payable on incentive plan income.</p>
What is the maximum rate of capital gains tax?	<p>The applicable tax rate will depend on when the securities were acquired and, since 1 July 2024, the tax filing status of the individual.</p> <p>For securities acquired on or after 1 July 2024, a flat rate of 15% will apply for active taxpayers (filers) and progressive rates of 15% to 45% will apply for non-active taxpayers (non-filers).</p>

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	<p>For securities acquired on or after 1 July 2022 and on or before 30 June 2024, the rate will depend on the holding period:</p> <ul style="list-style-type: none"> <li>• Less than 1 year: 15%</li> <li>• 1 to 2 years: 12.5%</li> <li>• 2 to 3 years: 10%</li> <li>• 3 to 4 years: 7.5%</li> <li>• 4 to 5 years: 5%</li> <li>• 5 to 6 years: 2.5%</li> <li>• over 6 years: 0%.</li> </ul> <p>For securities acquired before 1 July 2022, capital gains is charged on the disposal of securities at the following rates:</p> <ul style="list-style-type: none"> <li>• 12.5% for securities acquired on or after 1 July 2013 but on or before 30 June 2022; and</li> <li>• 0% for securities acquired before 1 July 2013.</li> </ul>
What is the maximum tax rate payable on dividends?	15%
Do I have to report any income in relation to the plan to my local tax authority?	<p>Individuals are required to file tax returns if their income exceeds the tax threshold which is currently set at PKR600,000 per year.</p> <p><b>Report name:</b> Return of income. To file tax returns in Pakistan, individuals need to obtain a National Tax Number (NTN) from the Federal Board of Revenue (FBR). They can then file their returns either online through the FBR's online portal or manually by submitting a paper return to the relevant tax office. Taxpayers must also file a wealth statement with the return of income. In addition, taxpayers with foreign income equal to or more than USD100,000 or with foreign assets with a value equal to or more than USD100,000, must file a separate statement of foreign income and foreign assets. Taxpayers with income over PKR500,000 per year must file online. Tax forms can be downloaded <a href="#">here</a>.</p> <p><b>Tax period:</b> An individual is required to file a return of income with the tax authorities on a fiscal year basis (1 July to 30 June).</p> <p><b>Reporting deadline:</b> all taxpayers must file their report of income and statements, for the year ended 30 June, by 30 September in the same year, unless an extension has been granted..</p>

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	<b>Payment of tax:</b> tax on income is withheld by the employer. For other tax (e.g. CGT) the individual must pay the tax by 30 September, in the same year.

This summary assumes that you only pay tax in one place. Different rules may apply if you pay tax in different places.

This summary is only a guide. It is limited to a general description of national tax laws and does not address various issues which may impact the tax result, including: local, city, regional, state or other provincial taxes; retention and holding periods; restrictions on the shares; clawback terms and periods; and your own individual circumstances. We do not guarantee any particular tax result. Therefore, we recommend that you consult your own tax advisor regularly to determine your tax position.

The information provided is understood to be correct as of 26 November 2025. Changes in legislation or practice after this date may affect the tax treatment.

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